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Country programme outline for Pakistan (2004-2008)

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Introduction

1. The proposed country programme has been developed through an assessment and consultative process led by the Government of Pakistan and involving civil society and other development partners.

I. Situation analysis

2. Pakistan recently underwent significant political and structural reforms, moving towards macro-economic stability, debt management, revival of the democratic process with increased women's representation, major institutional reforms with emphasis on devolution and decentralization, significant progress in information technology, reduction in population growth, and food grain self-sufficiency, which has been maintained for the past several years. Efforts to combat corruption and improve law and order have been firmly established. The nation has demonstrated resilience in dealing with the challenges posed by drought, the impact of the Afghan crisis, influx of refugees and the 11 September aftermath. While the difficult regional security situation has led to a diversion of scarce development resources to defence, Pakistan has striven to resolve issues according to the principles of the United Nations Charter, as indicated in the common country assessment (CCA).

3. With a human development index of 0.498 in 1999, Pakistan ranked 127 out of a total of 162 countries, and with a gender-related development index of 0.466 in 1999 it ranked 117 out of a total of 146 countries, according to the *Human Development Report 2001*. According to government estimates in 2000, 34 per cent of the population lives below the poverty line, while the cost of environmental degradation was estimated at 4.3 per cent of GDP in 1998. Although there has been some improvement in women's status over the last several years, the position of women in Pakistan remains weak and gender disparities are reflected in all social indicators. As a result of its debt burden, low revenue base and recent low growth rates, Pakistan has not been able to invest adequately in human development. Public investments in the 1990s focused mainly on infrastructure. Private education and health services are common but expensive, whereas public services are inadequate, particularly in rural areas and for women and girls. Social regression, land degradation and unemployment have further reduced resources available to the poor. It is recognized that the answer to these problems lies in improving the quality of governance, making make it more inclusive and participatory; strengthening systems of accountability and transparency; promoting citizens' involvement in decisions that influence their lives; and strengthening the role of the Government in facilitating development.

4. Pakistan has a rich tradition of adopting community-based approaches, as is reflected in the success of the Orangi Pilot Project (OPP) and Rural Support Programme (RSP) Network. Its indigenous philanthropy is reflected in the National Commission on Human Development (NCHD) and other initiatives. These experiences have created a critical mass for an enhanced civil society role in achieving poverty reduction and other Millennium Development Goals (MDGs). The Government is implementing poverty reduction strategies and policies such as the Three-Year Rolling Poverty Reduction Plan 2001-2004, which dovetails into the Ten-Year Plan. The interim poverty reduction strategy paper (PRSP) emphasises a holistic development approach with a five-point agenda: (a) fostering growth; (b) implementing broad-based governance reforms; (c) improving income-generating opportunities; (d) improving social sector outcomes; and (e) reducing vulnerability to shocks. Gender issues and links between poverty and the environment are now assigned higher priority in the PRSP process.

II. Past cooperation and lessons learned

5. Significant results were achieved during the country cooperation framework (CCF) for 1998-2003 through upstream policy support, piloting innovative approaches for community empowerment and capacity-building at all levels. This is reflected in the successful design of the devolution plan and its implementation, mainly by filling the 33 per cent reserved seats for women councillors in local elections and capacity-building for all (36,000) elected female councillors. In addition, the sustained advocacy and partnership building of UNDP with national institutions mobilized large-scale donor interest and participation in the reconstruction process. Another area of impact was the promotion of participatory approaches in all thematic areas and capacity-building for about 4,000 community-based organizations (CBOs), which are anchoring community-based initiatives. The Government plans to institutionalize the coordination

of development cooperation activities by UNDP and all other United Nations country team members in Pakistan. UNDP will support government efforts for more effective coordination, particularly in the thematic areas identified in the United Nations Development Assistance Framework (UNDAF).

6. The review of the CCF, evaluation of projects, various impact studies and consultations with stakeholders all indicate that the sustainability and impact of UNDP assistance can be enhanced through: (a) expanding partnerships within the strategic results framework; (b) supporting an enabling macro framework within which micro and pilot initiatives are developed; (c) strengthening policy, oversight and local-level institutions, particularly in planning, budgeting, monitoring and coordination; (d) documenting and disseminating best practices systematically; (e) strengthening, consolidating and scaling up efforts already under way; (f) harnessing national ownership and the capacity of national partners to manage and coordinate the implementation of development programmes, recognizing the difficulties that arise during implementation; (g) placing poverty reduction at centre stage in all programme areas, with well-defined participatory approaches primarily involving the poor; and (h) reflecting long-term strategic considerations in programmes and projects.

7. Based on the above lessons learned and in support of national priorities, the proposed country programme will adopt the following strategy:

(a) Make poverty reduction the core objective in all areas of cooperation, focusing on macro-policy impact on the poor, and alternative pro-poor development approaches;

(b) Mainstream gender in all areas and ensure that gender is an integral part of the design, implementation, monitoring and evaluation of all programmes and projects;

(c) Strengthen and stabilize reform initiatives, particularly those with direct links to poverty reduction, devolution, community empowerment and promoting public-private partnership to meet development challenges;

(d) Explore innovative funding mechanisms and support government leadership in resource mobilization and coordination;

(e) Promote mechanisms for effective participatory monitoring of policies and programmes, involving the poor themselves;

(f) Facilitate the country's readiness and capacity to benefit from mechanisms emerging under the World Trade Organization (WTO) regime;

(g) Connect national partners to global knowledge, experience and resources through regional cooperation, networking and technical cooperation among developing countries (TCDC);

(h) Mainstream information and communications technology (ICT) as a vehicle for achieving programme goals, networking, and to promote transparency;

(i) Work with media to contribute towards creating awareness, and consensus building, especially around the MDGs.

III. Proposed programme

8. Under the UNDAF, the United Nations system will encourage civil society partnership and participation in efforts to broaden choices and increase opportunities, particularly for the poor, women and marginalized groups. Four broad themes have been identified: participatory governance, poverty alleviation, health, and education. Cross-cutting themes include: human development and disaster relief management; population; drug control and crime prevention; gender; culture and development; and environment. In addition, UNDP has a special mandate to promote regional cooperation, which will be ensured by linking the country programme to UNDP regional programme initiatives. Multiple opportunities for joint programming have been identified and are the object of detailed negotiations between United Nations organizations. Its cross-cutting mandate positions UNDP for close cooperation with most of those organizations as well as with the international financial institutions (IFIs). Based on the UNDAF and other consultative processes, the country programme will focus on cooperation in institutional capacity-building and community development with asset building for the poor.

9. Support for these national human development priorities will focus on developing [illegible]ro-micro linkages whereby innovative approaches will be piloted

at the local level in collaboration with communities, and the policy issues identified will be fed into the national policy process. The numerous community organizations actively participating in UNDP-assisted projects provide a country-wide outreach for policy-makers, allowing them to gain a better understanding of the root causes of poverty.

A. Institutional capacity-building

10. In view of the under-utilized domestic resources and inadequate development management capacities, particularly at the local level, it is essential that UNDP continue to build capacity of key institutions in the following critical areas with the following expected results:

Participatory poverty monitoring and research

11. National capacity will be built for pro-poor development, focusing on poverty monitoring and involving the poor. Institutions such as the Centre for Research on Poverty Reduction and Income Distribution (CRPRID) will carry out poverty and income distribution research, which will help to identify more effective pro-poor growth strategies. *Partners*: The International Labour Organization (ILO), the United Nations Children's Fund (UNICEF), the Japan International Cooperation Agency (JICA), the Department for International Development (DFID) of the United Kingdom and the Asian Development Bank (ADB) will cooperate in this area.

Promoting gender equality

12. Gender will be mainstreamed in the macroeconomic and budget process at all levels of government to address gender disparity in the critical areas identified in the national plan of action (NPA). Gender-disaggregated data must be introduced in all national statistics. Closer partnerships between government, parliament and civil society should be established for systematic analysis of gender issues. The National Commission on the Status of Women should be strengthened to examine existing policies, programmes and legislation with a view to reviewing provisions that are discriminatory against women. The NPA will focus on education, reproductive health, economic integration, domestic violence, and secure tenure of, and access to, natural resources. Networks for women's empowerment will be set up. *Partners*: The country team is committed to addressing gender disparity, and joint advocacy and action are planned. Major donors are co-funding directly and in parallel.

Strengthening and consolidation of the devolution process

13. Reflecting continued support to national reconstruction initiatives, people's participation in local governance, fiscal decentralization, management, planning and implementation will be enhanced through strengthened institutions and mechanisms and the replacement of archaic procedures at the local level. Newly elected district councillors, particularly women, will be trained. They will be encouraged to participate in targeting, monitoring and promoting development activities. Partnerships will be facilitated between local authorities and civil society organizations. Information management systems at all levels will be developed to promote transparency and accountability. Exploration of new opportunities will be provided by the devolution initiative for integrating environmental concerns with economic decision-making, promoting public-private partnerships and bridging the digital divide. *Partners*: The country team is committed to consolidating the devolution process, and there will be joint advocacy and action for this purpose. Major donors are co-funding directly and in parallel.

Strengthening oversight and regulatory mechanisms at national and sub-national levels

14. More effective civic engagement is needed in parliamentary, electoral and political processes, particularly in relation to decentralization and the MDGs. Active civic participation should be promoted through citizens' forums, especially in relation to globalization issues. *Partners*: The United Nations Department of Political Affairs (DPA) provides advice on actions related to political processes. UNDP, jointly with the United Nations Conference on Trade and Development (UNCTAD), will provide policy advice on WTO and globalization issues. Major donors are co-funding directly and in parallel.

Access to justice

15. Innovative mechanisms will be developed to provide affordable and accessible alternatives to improve access to justice for the poor and women through police reform. *Partners*: UNDP and ADB are closely coordinating their assistance in this area.

Disaster crisis management system

16. Shifting from relief to risk reduction (prevention) will require building capacity for early warning, preparedness and mitigation to reduce vulnerability and develop disaster management strategies. This includes building the capacity of government entities, communities and organizations specializing in crisis management. A holistic programme is being developed to rehabilitate refugee-hosting communities affected by the impact of the Afghan crisis. *Partners*: This is a new initiative by the Government and UNDP for which partners are being identified.

Environmentally sustainable development

17. It is essential to strengthen the capacity of institutions, dealing with policy formulation and legal and regulatory frameworks under global conventions, to meet national commitments. The development agenda will integrate environmental concerns and build capacity to implement integrated umbrella programmes that respond to the needs of the poor, such as the National Environmental Action Plan (NEAP). *Partners*: Includes the Global Environment Facility (GEF), the World Conservation Union (IUCN), the World Wildlife Fund (WWF) and Wetlands International. In drought recovery and mitigation, the World Bank and ADB are funding a parallel loan programme.

B. Community development with asset building for the poor

18. Human development and poverty challenges will be addressed by investing in social capital formation and providing an enabling environment for community organizations in poor areas, focusing on asset building in the following ways.

Community empowerment to support local participation in decision-making

19. National policies and constraints to community empowerment will be identified and resolved through participatory processes and systems. Links between government line departments and elected representatives at all tiers will be strengthened for policy formulation and implementation of social sector reforms, especially in health, education, drugs, crime and HIV/AIDS. Mechanisms such as citizen community boards under the devolution plan will be supported and their self-reliance achieved through larger organizations. The capacity of community organizations and elected local council members will be developed in the area of design and management of development schemes at the local level. *Partners*: Includes the country team and major donors.

Land and water resource management

20. Participatory community-based models will be developed with potential for scaling-up and policy change. Innovative approaches must be piloted for sustainable land use, watershed management, water resource management and rational utilization of water, while ensuring equity. Improved land record systems and policy reforms relating to land tenure issues affecting the poor will be introduced. Small-scale agro-processing and off-farm business initiatives and trade will be promoted that take into account the terms of trade for poor farmers. *Partners*: Cooperation is ongoing with the Food and Agriculture Organization (FAO) of the United Nations, the International Fund for Agricultural Development (IFAD), the World Food Programme (WFP), the Australian Agency for International Development (AusAID) and DFID; cooperation with ADB, the World Bank and other major donors is being explored.

Urban poverty reduction and slum uplift

21. Property rights will be regularized and service delivery improved in squatter settlements and small towns. The urban poor will benefit from greater employment and self-employment opportunities, while good governance practices will be introduced in poor urban communities. *Partners*: ILO, Habitat (UNCHS), United Nations Industrial Development Organization

(UNIDO) and the International Finance Corporation (IFC).

Support to the national initiative for philanthropy and volunteerism through the National Commission for Human Development

22. Private sector resources (from Pakistani nationals at home and abroad, as well as non-Pakistani philanthropy) will be mobilized to pilot the new initiative and a national volunteer corps for human development, focusing on literacy/education and health, especially for girls and women. Country-wide coverage is planned by 2008. *Partners.* Numerous individual donors have already come forward, including Pakistanis based in the United States whose contributions are facilitated by the United States Committee for UNDP. Business entities are joining.

Youth

23. The national human development report (NHDR) for Pakistan 2003 identifies the second income-earner (younger member) in the household as a key factor in lifting the poor out of poverty. It underscores, however, the weaknesses in skills training, the adverse conditions in the informal sector and for small and medium-sized enterprises (SMEs), and increasing unemployment. Initiatives will thus be developed to bring the youth into the mainstream of development through training, skills development, job creation and ICT avenues. *Partners.* The country is committed to the youth initiative, and joint advocacy and action is planned.

IV. Programme management, monitoring and evaluation

24. The country programme will continue to be executed nationally and implemented through government and non-governmental institutions and the private sector. Greater synergy with United Nations programmes will be vigorously promoted. Programme implementation will remain flexible and responsive to emerging national policies and priorities. The national execution modality will also be strengthened and broadened into a national model for programme implementation, especially at the local level.

25. The country office has developed in-house expertise in the areas identified in the country programme and offers advice and knowledge in the form of tools and methodologies for programme development, effective implementation and management for results. The country office is also recognized as exercising effective coordination with other bilateral and multilateral institutions, particularly in the areas of governance and environment.

26. The aim is to promote the systematic sharing of information within and between programmes, making it possible to document lessons learned and transform them into knowledge. Matrix management is expected to reinforce country office integrated development interventions. Project audits will continue. The country office will promote joint learning opportunities for national counterparts on results-based management. Project, thematic and outcome evaluations will be used to identify best practices and support strategic choices in resource mobilization.

27. Regular resource allocation for the country programme for 2004-2008 is $25.1 million. Led by the Government of Pakistan, the country office will assist in mobilizing non-core resources, bringing the total resource target for the programming period to $170.1 million. A comprehensive resource mobilization strategy is being developed that consolidates partnerships with contributing donors and identifies non-traditional sources such as public-private partnerships, philanthropy and emerging funding mechanisms. This strategy will be refined and implemented jointly by the Government of Pakistan and UNDP. The breakdown by source of funding is available in the annex.

Annex: Results and resources framework for Pakistan (2004-2008)

Participatory governance

Strategic areas of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support (United States dollars)*
Capacity of and partnerships between local authorities and civil society organization	Local authorities and communities in rural and urban areas enabled and involved in planning and management of development activities, including the provision of public services	100 per cent of district governments effectively accessing and managing devolved financial resources Monitoring committees and citizen community boards (CCBs) established in 100 per cent districts 50 per cent public service facilities made functional in a gender-balanced manner Local development plans developed by CCBs in cooperation with local authorities (at least ten in each Union Council) Perception of local government system and access to justice, including police functioning, by the poorest quintile improved by 50 per cent	Local government structure and systems strengthened and procedures re-engineered Transparency mechanisms established at the district level, involving poor communities Legal, judicial and police reforms introduced and implementation strategy developed Public safety commissions and legal aid centres established Mechanisms for formation and activation of CCBs set up	*Regular resources:* 3.6 million *Other resources:* 14 million Government: 1 million Third party cost-sharing: 12 million Private sector: 1 million **Total: 17.6 million**
Electoral processes Parliamentary processes Private sector engagement	Electoral framework with international standards Credibility of Parliament Private sector for sustainable development (at district level)	Voter turnout in national provincial elections increased from 41 to 48 per cent Women representation in parliament maintained at least at 17 per cent Parliamentary oversight mechanisms strengthened: Public Accounts Committee, Human Rights, Women Caucus Number of public private partnerships of significance	Educated inclusive electorate Parliamentarians promoting decentralization and sustainable development Public-private partnerships established in the context of Global Compact	

Poverty

Strategic areas of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support (United States dollars)*
Development and implementation of macro- and poverty-reduction policies and strategies; monitoring of poverty and inequality	Reduction of human and income poverty addressed as a major concern of macroeconomic policies; improved national capacity to monitor poverty and inequality	Poverty head count reduced from 34 per cent to 20 per cent Gini coefficient improved from the current level of 0.401 Human and income poverty data disaggregated by gender and provinces/districts Reduce the number of people without access to safe drinking water and sanitation by 1/3 HPI improved from 44 per cent to 30 per cent	One million individuals lifted out of poverty by removing barriers and increased economic opportunities Alternative pro-poor approaches adopted addressing root causes Outcome monitoring and nationwide MDG campaign, putting Pakistan on track	*Regular resources:* 5.7 million *Other resources:* 38 million Government: 5 million Private sector: 15 million Third party cost-sharing: 15 million Local communities: 3 million **Total: 43.7 million**
Access to productive resources and assets Access to ICT	Secure access for the poor to land and infrastructure (e.g. irrigation). Provision to the poor of	Productive assets and facilities accessed by the poor, including women Number of squatter settlers, including women with secure tenure increased ten	10 000 pro-active community schemes implemented Corp of 100 000 national volunteers established promoting health	

	affordable ICT	fold Number of telephone lines and Internet users increased by a factor of 10	education and income generating activities 100 ICT centres established in rural areas	

Gender

Strategic areas of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support (United States dollars)*
Development and implementation of national action plans for the advancement of women (implementation of the Beijing commitments) and the gender dimensions of all conference commitments	National action plan for the advancement of women jointly adopted, implemented and monitored by the Government, legislature and civil society according to time-bound goals	Mechanisms for participatory monitoring and reporting of NPA operational Increase in availability and use of gender disaggregated data (including GDI and gender empowerment measure (GEM) in analysis and decision-making NPA targets for women in decision making, politics and economy on track Reduced violence against women and girls	Implementation of CEDAW and NPA with focus on critical issues – political participation, education, reproductive health, economic integration, domestic violence, secure tenure and access to natural resources Macroeconomic policy and legislative framework for protection, integration and empowerment of women	*Regular resources: 7.2 million* *Other resources: 28 million* Government: 2 million Third party cost-sharing: 26 million **Total: 35.2 million**

Crisis prevention and recovery

Strategic areas of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support (United States dollars)*
Capacity development to manage and reduce risk of disasters	National disaster reduction and response system operational	Significant improvement in response time to disasters and crises 20 000 communities enabled to cope with hazards Communities and area rehabilitated in refugee hosting areas Water use efficiency improved by 50 per cent	National disaster management system operational, and community coping strategies developed Significantly rehabilitated refugee hosting areas in five districts National campaign launched for water conservation resulting in water use efficiency at household, agricultural, industrial and municipality levels Groundwater monitoring system introduced in drought-stricken areas	*Regular resources: 4.3 million* *Other resources: 29 million* Government: 2 million Third party cost-sharing: 24 million Global trust funds: 3 million **Total: 33.3 million**

Energy and environment

Strategic areas of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support (United States dollars)*
National capacity for participation in global conventions, regulatory regimes and funding mechanisms for environmentally sustainable development	A comprehensive approach integrating environmentally sustainable development, and global environmental concerns and commitments in national development planning, with emphasis on poverty reduction and with quality gender analysis	Environmental issues integrated in Ten-year plan and PRSP Zero increase in CO_2 and NOX emissions (0.4 per cent of world total 1998) Forest cover from 4.8 per cent to 5.2 per cent	Effective policy, regulatory and monitoring framework for the poverty-environment nexus Commitments under global conventions on biodiversity, climate change, chlorofluorocarbons and POPs 3 000 poor communities involved in environmental management	*Regular resources: 4.3 million* *Other resources: 36 million* GEF: 20 million Private sector: 5 million Third party cost-sharing: 6 million Government: 5 million **Total: 40.3million** *Total regular: 25.1 million* *Total other: 145 million* **Grand total: 170.1 million**